

# SENATE BILL No. 521

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 5-28.

**Synopsis:** Economic development. Requires the Indiana economic development corporation (corporation) to study and develop recommendations for economic development tools for local communities in distressed areas. Adds the city of Gary as a qualified municipality under the entrepreneur and enterprise district pilot program (program). Provides that the city of Gary may receive a grant of up to \$1,000,000 per year under the program. Increases the amount the corporation may allocate from the Indiana twenty-first century research and technology fund to district boards established under the program from \$2,000,000 to \$3,000,000 per year.

**Effective:** July 1, 2019.

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## Melton

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January 14, 2019, read first time and referred to Committee on Appropriations.

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First Regular Session of the 121st General Assembly (2019)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

## SENATE BILL No. 521

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A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 5-28-5-16, AS ADDED BY P.L.238-2017,  
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2019]: Sec. 16. The corporation ~~may~~ **shall** study and develop  
4 recommendations for economic development tools for local  
5 communities in distressed areas, particularly within the city of Elkhart,  
6 the city of Gary, and the city of Indianapolis, where:

7 (1) the unemployment rate within the local community is greater  
8 than the state unemployment rate; or  
9 (2) twenty percent (20%) or more of individuals residing in the  
10 local community have a household income that is equal to or less  
11 than the federal poverty level as determined by the federal Office  
12 of Management and Budget.

13 SECTION 2. IC 5-28-15.5-1, AS ADDED BY P.L.238-2017,  
14 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
15 JULY 1, 2019]: Sec. 1. The following definitions apply throughout this  
16 chapter:

17 (1) "District" refers to an entrepreneur and enterprise district



- 1 designated by the executive of a qualified municipality under  
 2 section 2(a) of this chapter.
- 3 (2) "District board" refers to the board of directors of a district as  
 4 specified in section 2(d) of this chapter.
- 5 (3) "District business" means an entity that accesses at least one  
 6 (1) incentive available under the following:
- 7 (A) This chapter.  
 8 (B) IC 6-1.1-3-25.  
 9 (C) IC 6-1.1-45.  
 10 (D) IC 6-1.1-46.2.
- 11 (4) "Qualified municipality" means the following:
- 12 (A) The city of Lafayette.  
 13 (B) The city of Fort Wayne.  
 14 **(C) The city of Gary.**
- 15 SECTION 3. IC 5-28-15.5-5, AS ADDED BY P.L.238-2017,  
 16 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 17 JULY 1, 2019]: Sec. 5. (a) The corporation may make grants from the  
 18 Indiana twenty-first century research and technology fund established  
 19 under IC 5-28-16-2 to a district board established in:
- 20 (1) the city of Lafayette; ~~and~~  
 21 (2) the city of Fort Wayne; ~~and~~  
 22 **(3) the city of Gary.**
- 23 (b) The total amount of grant money that a district board established  
 24 in the city of Lafayette may receive during a state fiscal year may not  
 25 exceed one million dollars (\$1,000,000).
- 26 (c) The total amount of grant money that a district board established  
 27 in the city of Fort Wayne may receive during a state fiscal year may not  
 28 exceed one million dollars (\$1,000,000).
- 29 **(d) The total amount of grant money that a district board**  
 30 **established in the city of Gary may receive during a state fiscal**  
 31 **year may not exceed one million dollars (\$1,000,000).**
- 32 ~~(e)~~ (e) One hundred percent (100%) of grant money awarded to a  
 33 district board under this section must be used by the district board for  
 34 programs that support entrepreneurship, small business development,  
 35 technology development, and innovation.
- 36 ~~(f)~~ (f) The corporation may develop guidelines, without complying  
 37 with IC 4-22-2, for awarding grants under this section.
- 38 SECTION 4. IC 5-28-16-2, AS AMENDED BY P.L.86-2018,  
 39 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 40 JULY 1, 2019]: Sec. 2. (a) The Indiana twenty-first century research  
 41 and technology fund is established within the state treasury to provide  
 42 grants or loans to support proposals for economic development in one



- 1 (1) or more of the following areas:  
2 (1) To increase the capacity of Indiana postsecondary educational  
3 institutions, Indiana businesses, and Indiana nonprofit  
4 corporations and organizations to compete successfully for federal  
5 or private research and development funding.  
6 (2) To stimulate the transfer of research and technology into  
7 marketable products.  
8 (3) To assist with diversifying Indiana's economy by focusing  
9 investment in biomedical research and biotechnology, information  
10 technology, development of alternative fuel technologies,  
11 development and production of fuel efficient vehicles, and other  
12 high technology industry clusters requiring high skill, high wage  
13 employees.  
14 (4) To encourage an environment of innovation and cooperation  
15 among universities and businesses to promote research activity.  
16 (5) To provide grants to district boards that are established in the  
17 city of Lafayette, **and** the city of Fort Wayne, **and the city of**  
18 **Gary** under the entrepreneur and enterprise district pilot program  
19 established under IC 5-28-15.5 and as set forth in IC 5-28-15.5-5.  
20 (b) The fund consists of:  
21 (1) appropriations from the general assembly; and  
22 (2) loan repayments.  
23 (c) The corporation shall administer the fund. The following may be  
24 paid from money in the fund:  
25 (1) Expenses of administering the fund.  
26 (2) Nonrecurring administrative expenses incurred to carry out the  
27 purposes of this chapter.  
28 (d) Earnings from loans made under this chapter shall be deposited  
29 in the fund.  
30 (e) The budget committee shall review programs and initiatives and  
31 corresponding investment policies established by the board. The budget  
32 agency shall review each recommendation to verify and approve  
33 available funding and compliance with the established investment  
34 policy. Money in the fund may not be used to provide a recurring  
35 source of revenue for the normal operating expenditures of any project.  
36 (f) The treasurer of state shall invest the money in the fund not  
37 currently needed to meet the obligations of the fund in the same  
38 manner as other public funds may be invested. Interest that accrues  
39 from these investments shall be deposited in the state general fund.  
40 (g) The money in the fund at the end of a state fiscal year does not  
41 revert to the state general fund but remains in the fund.  
42 (h) For each state fiscal year beginning after June 30, 2017, and



1 ending before July 1, 2022, the corporation may allocate ~~two million~~  
2 ~~dollars (\$2,000,000)~~ **three million dollars (\$3,000,000)** of the total  
3 amount held within the fund in that state fiscal year for the purposes of  
4 making grants from the fund under subsection (a)(5) to district boards  
5 established in the city of Lafayette, ~~and~~ the city of Fort Wayne, **and the**  
6 **city of Gary** as set forth in IC 5-28-15.5-5. This subsection expires  
7 December 31, 2022.

